# LEGISLATIVE SERVICES AGENCY OFFICE OF FISCAL AND MANAGEMENT ANALYSIS

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#### FISCAL IMPACT STATEMENT

LS 6073 NOTE PREPARED: Mar 13, 2008 BILL NUMBER: HB 1036 BILL AMENDED: Feb 14, 2008

**SUBJECT:** Proof of Motor Vehicle Financial Responsibility.

FIRST AUTHOR: Rep. Ulmer BILL STATUS: Enrolled

FIRST SPONSOR: Sen. Steele

FUNDS AFFECTED: X GENERAL IMPACT: State & Local

 $\overline{\underline{X}}$  DEDICATED FEDERAL

<u>Summary of Legislation:</u> (Amended) This bill: (1) requires the Bureau of Motor Vehicles (BMV) to establish a registry of previously uninsured motorists for random, periodic verification by the Bureau of Financial Responsibility Compliance; (2) requires the BMV to adopt rules; (3) makes a failure of a previously uninsured motorist to respond to a BMV request for verification prima facie evidence of a financial responsibility violation; and (4) provides for removal of names from the registry.

Effective Date: (Amended ) July 1, 2008.

<u>Explanation of State Expenditures:</u> (1) Requiring the BMV to establish a registry of previously uninsured motorists and to adopt rules can be accomplished within existing levels of staff and resources. The fund affected is the Motor Vehicle Highway Account, which supports the BMV.

(2) Requiring the BMV to adopt rules to make specifications for and implement the registry will have no impact and will be accomplished within the current rule-making procedures.

(Revised) <u>Background Information</u>: In CY 2007, the BMV reported there were 72,813 citations issued for no insurance, resulting in 72,322 suspensions; 46,268 citations issued for no-insurance accidents, resulting in 41,230 suspensions; 17,042 suspensions for repeat no-insurance violations; and 3,059 no-insurance court suspensions.

#### **Explanation of State Revenues:**

### **Explanation of Local Expenditures:**

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## **Explanation of Local Revenues:**

State Agencies Affected: :Bureau of Motor Vehicles.

Local Agencies Affected: Trial courts, local law enforcement agencies.

<u>Information Sources:</u> BMV suspension and citation data for CY 2007; Sarah Meyer, Legislative Liaison of the BMV, 317-232-1936.

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